



Transparent and Efficient Government Committee Report

Appendices

Last revision March 6, 2018

I. Appendix - HR

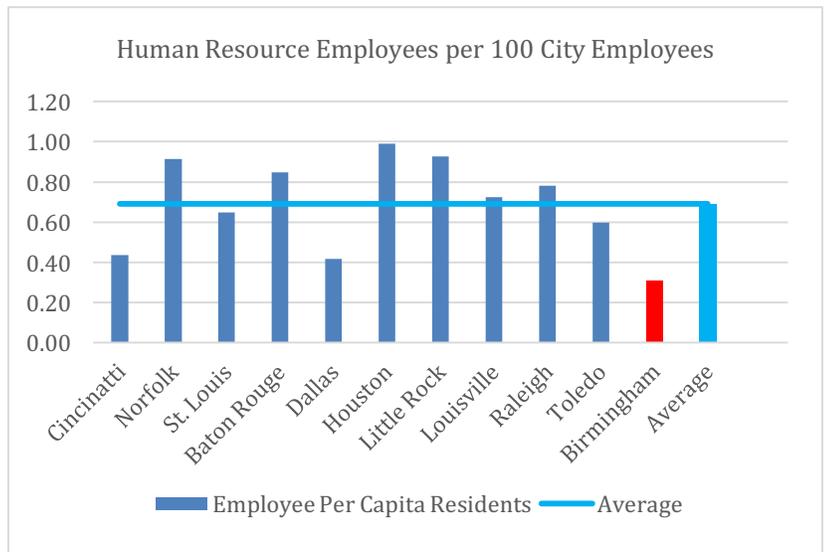
A. HR Org Structure & Staffing

- The department head/Director has insufficient managerial/supervisory support for key divisions.
- The department is budgeted for a staff of 37; although, almost half of its budgeted staff is assigned to the fitness centers, which are currently managed by HR.
 - According to the latest SHRM (Society of Human Resource Management) Human Capital Benchmarking Study, the best practice HR-to-Employee Ratio for a company with 2,500 to 7,499 is around 0.53 (1 HR resource per 200 employees). ****The ratio includes HR professionals who work as generalists and those in areas such as benefits, compensation, labor relations and organizational effectiveness. The ratio excludes payroll and training-and-development employees.**
 - The City of Birmingham has 13 employees that handle HR-specific duties for more than 4200 active employees. These 13 resources also support pensioners (retirees & beneficiaries). Additionally, the City of Birmingham HR is responsible for some payroll and training-and-development. The city's HR-to-Employee Ratio, is inadequate. See the graphs below for a comparison of Birmingham to other cities/municipalities.

Human Resource Employees per 100 City Employees

City	2017 Human Resources FTE	Employees Per 100 Gov. Employees	City Employees
Cincinnati	22	0.44	5,041
Norfolk	36	0.91	3,937
St. Louis	44	0.65	6,777
Baton Rouge	38	0.85	4,477
Dallas	53	0.42	12,755
Houston	145	0.99	14,629
Little Rock	20	0.93	2,154
Louisville	45	0.72	6,219
Raleigh	33	0.78	4,218
Toledo	16	0.60	2,681
Birmingham*	13	0.31	4,210
Average		0.69	
Average W/O Bham.		0.73	

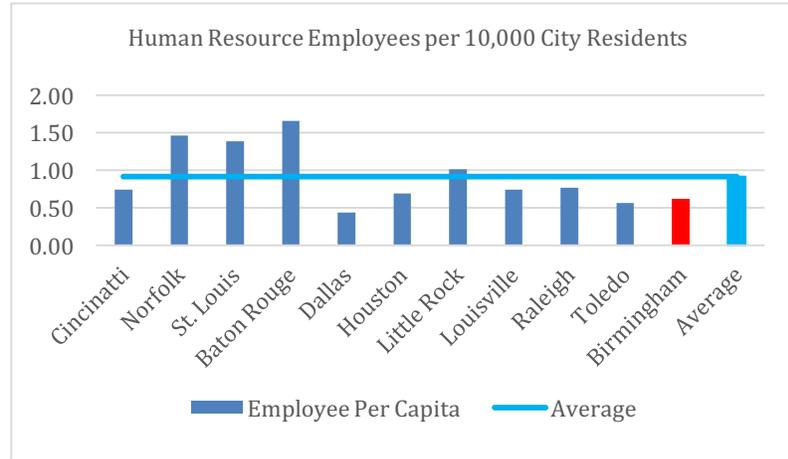
*The 13 FTE Employees for Birmingham does not include the 15 HR Fitness Employees under HR as well



Human Resource Employees per 10,000 City Residents

City	2017 Human Resources FTE	Employees Per Capita	City Population
Cincinnati	22	0.74	297,517
Norfolk	36	1.46	246,139
St. Louis	44	1.38	318,416
Baton Rouge	38	1.66	229,426
Dallas	53	0.44	1,200,000
Houston	145	0.69	2,100,000
Little Rock	20	1.01	197,992
Louisville	45	0.74	609,893
Raleigh	33	0.76	431,746
Toledo	16	0.57	282,313
Birmingham*	13	0.61	212,113
Average		0.91	

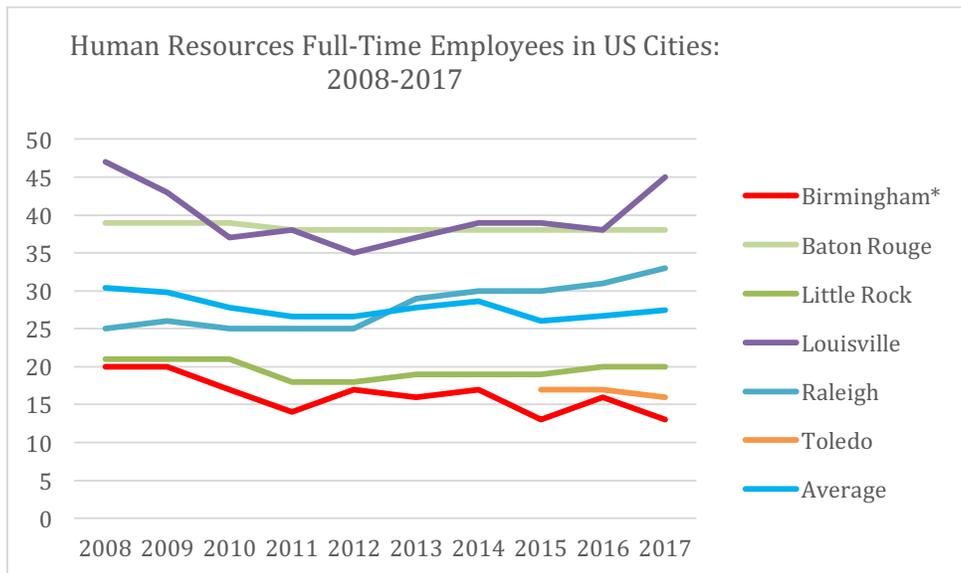
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Human Resource Employees for City Governments: 2008-2017

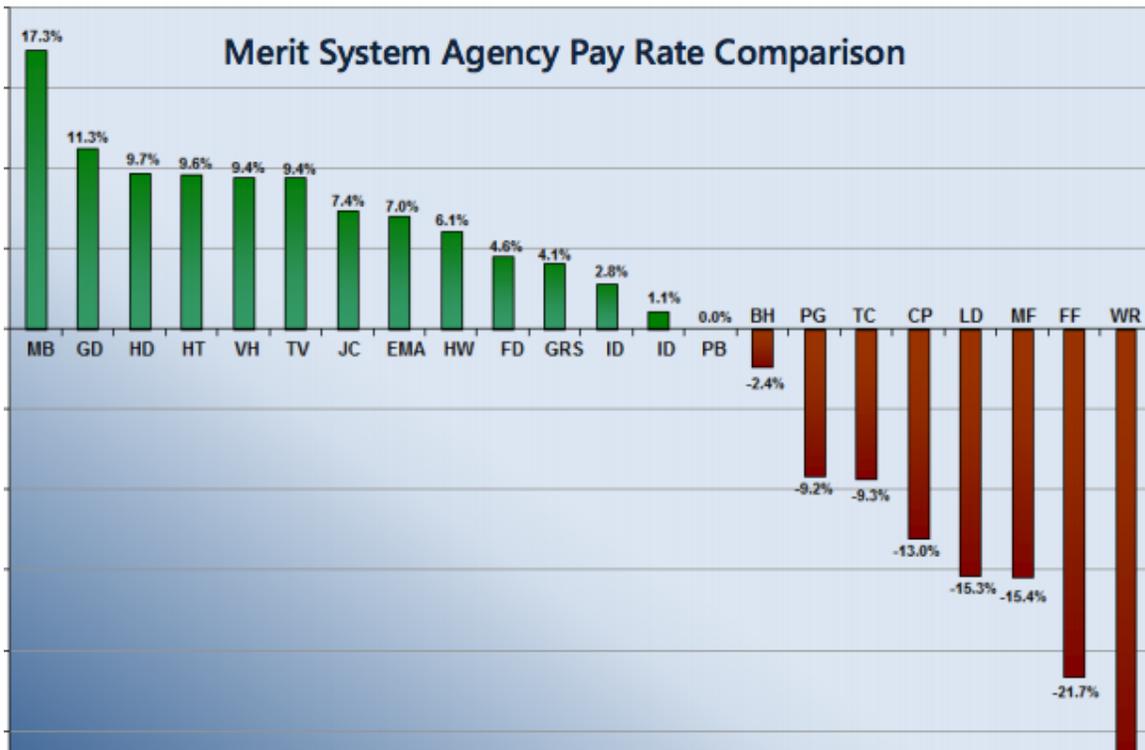
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Population	
Birmingham*	20	20	17	14	17	16	17	13	16	13	212,113	
Baton Rouge	39	39	39	38	38	38	38	38	38	38	229,426	
Little Rock	21	21	21	18	18	19	19	19	20	20	197,992	
Louisville	47	43	37	38	35	37	39	39	38	45	609,893	
Raleigh	25	26	25	25	25	29	30	30	31	33	431,746	
Toledo	-	-	-	-	-	-	-	-	17	17	16	282,313
Average	30.4	29.8	27.8	26.6	26.6	27.8	28.6	26	26.7	27.5		

*The FTE Employees for Birmingham do not include the 15 HR Fitness Employees under HR as well



B. *Difficulty attracting and retaining quality talent.*

- The City of Birmingham's salary scale is lower than surrounding cities & municipalities, like Homewood, Hoover, Vestavia, and Jefferson County, which impedes the City's ability to attract and retain quality talent.



Source: 2016 Annual Report from Personnel Board of Jefferson County

- Additionally, the City of Birmingham continues to incur significant expense in overtime costs. Such expenses tend to indicate base salary rates can be increased and/or staffing should be adjusted to reduce the need for overtime.

City of Birmingham - Calendar Year Overtime Summary			
Total Overtime by Department - Calendar Year			
	2015	2016	2017
Police	\$ 7,345,361	\$ 10,358,934	\$ 12,046,424
Fire	\$ 3,242,382	\$ 2,978,359	\$ 3,445,325
Pub Works	\$ 1,275,591	\$ 2,411,579	\$ 4,488,784
Park & Rec	\$ 145,344	\$ 398,334	\$ 944,295
Fairground	\$ 119,087	\$ 295,951	\$ 306,851
IMS	\$ 275,887	\$ 195,279	\$ 190,255
Museum of Art	\$ 141,171	\$ 152,936	\$ 220,991
Mun Court	\$ 111,727	\$ 172,568	\$ 125,114
Traffic En	\$ 94,688	\$ 85,477	\$ 79,370
Mayor	\$ 46,715	\$ 82,718	\$ 110,292
Boutwell	\$ 61,663	\$ 69,108	\$ 65,096
PEP	\$ 40,145	\$ 50,067	\$ 84,098
Equip Mgmt	\$ 24,058	\$ 48,317	\$ 73,400
Finance	\$ 44,078	\$ 49,003	\$ 51,477
Arlington	\$ 16,414	\$ 22,732	\$ 27,207
Sloss	\$ 1,813	\$ 19,966	\$ 30,517
Law	\$ 12,127	\$ 11,819	\$ 13,961
Human Resources	\$ 5,227	\$ 1,862	\$ 5,820
City Clerk	\$ 942	\$ 999	\$ 8,726
Library	\$ 1,945	\$ 1,752	\$ 1,970
Community Devel.	\$ 65	\$ 292	\$ 4,324
Museum of Flight	\$ 0	\$ 4	\$ -
City Council	\$ -	\$ -	\$ -
Grand Total	\$ 13,006,430	\$ 17,408,058	\$ 22,324,299

Note: Data from HR was based on Calendar Year not Fiscal Year-end of City

- Complaints were received from numerous department heads, including HR, that quality candidates are not received from the Jefferson County Personnel Board, and potential candidates are not received timely. Annually, the City pays more than \$3,000,000 to the Jefferson County Personnel Board for their service.
 - Meetings are ongoing with the Personnel Board to better understand the issues and find solutions.

C. *Fitness Center Placement*

- Unlike most cities, Birmingham’s fitness center is under HR rather than Parks and Recreation.
- Best practices among cities and municipalities that provide fitness as a benefit to its employees show that fitness centers, whether specifically for city employees or allows community enrollment, are managed by the city’s parks and recreation department.
- With the increase of low-cost health clubs and fitness centers, such as Planet Fitness, more and more cities are getting out of the fitness center business. Instead they partner with 3- party health clubs/fitness centers to offer discounts to city employees.
 - [San Antonio Fitness](#)
 - [Tuscaloosa Fitness](#)
 - [Denver Fitness](#)

D. Lack of Innovation/Automation

- Lack of technology innovation and process automation results in inefficient use of staff, increased workloads due to manual or outdated processes, errors and delays in providing good customer service, duplicated workflows and data handling across all divisions and departments. Some efforts are being made to implement business technology solutions that support innovation. However, little, if any, process automation is occurring.

E. Best Practices/Recommendations

- Revised organizational structure
- To significantly reduce overtime costs, use a new scheduling model, e.g. staggered start and stop time scheduling models is an effective tool which is an easy place to start although many effective models exist.
- Align HR: Employee ratio with benchmarking study staffing guide.
- Enhance talent/skill/leadership pools
- Address Jefferson County Personnel Board
- Align fitness centers with Parks and Recreations
- Implement technology and process automation
- Use of Kaizen (Bottom up communication) based communication tools – Toyota learned early on that the individuals at the bottom of the organizational chart actually had the answers to efficiency- if you ask them.
- A Change Management Manager who answers directly to the Mayor can bring value when large cultural changes are planned. This individual is skilled in the nuances of personal agendas vs. organizational goals and acts as a translator in times of frustration and anger. Once changes have settled in, the manager can be reassigned, e.g. as a Continuous Process Improvement Manager or Leadership Development role.

II. Appendix – City Clerk

A. Electronic Signatures

- A cursory review of the Code of Alabama indicates that electronic signatures are acceptable forms for legal documents. See “Alabama Law regarding Elec Signatures” Code Section 8 – 1a (1-20).
- A legal opinion should determine if code section 8-1 is applicable and if found to be so, a system/process should be implemented for applying electronic signatures to documents.

B. Public Records Requests

- Either by ordinance or policy, requests from the general public must first be approved by the Office of Public Information before being disseminated to the requesting party. This part of the process slows the response time for fulfilling the request.
- An overall process review should be conducted to determine the most frequent public information requests, and which if any, can be made available via the City’s website, thus allowing self-service.
- Preferably all requests, whether via the web or phone, should be directed to the 311 Contact Center.
- A workflow solution should be put in place to log, route and track completion of requests.
- A repository should be available that can be directly accessed by the initial person receiving the request (preferably 311). Rules in the repository should denote if requests require special handling, like Law review, prior to being released.

C. Absentee Voting location

- By State of Alabama law, the City Clerk’s office conducts absentee voting. The location currently used for absentee voting is located inside the city council chambers. The implication is a possible violation of a citizen’s right to secret ballot in that a voter coming to city hall must walk through the council chambers thus allowing for possible interaction or intimidation of the voter.
- A location should be designated that complies with State of Alabama laws relating to voting locations.

D. Records Storage Vault

- The current records storage vault has reached its capacity (over 80% - 20% is required for aisles and physical access.)
- Additionally, the fire suppression system currently installed is a water type sprinkler system. If the sprinkler system should be activated, intentionally or accidentally, most, if not all stored records risk potential damage or of being completely destroyed.

E. Weed Abatement Notifications

- During the months of May, June, July, August and September the weed abatement submissions from Public Works average a 1000+ every other week. To process 1000+ certification/notification cards and abatement resolutions, it normally takes three (3) people around three (3) days to prepare them for the Friday mail out (abatement notices must be delivered bi-weekly to post office by 3:00 p.m. Friday). On average, 2 additional resources are pulled from their normal job duties every other week to assist the Clerk’s Office in processing abatements certification/notification cards and abatement resolutions.

- After reviewing the process, the subcommittee believes there may be opportunities for improving the process and possible reducing its cost by automating the list of property owners to be notified and outsourcing the certified mail process.
- A review of mailing companies on the internet revealed at least two which offered an automated system for preparing certified mail. For example, see attachment “Online certified mailing”. The IRS uses such systems for its certified mail.
- Below is a cost/benefit analysis using estimated data from the City Clerk for weed abatement notifications. Further investigation should occur to determine if such service would be beneficial not only for the clerk’s office but for the city as a whole.

Weed Abatement Notification Cost Analysis										
	Process Time(hrs) for 3 resources	Hrly labor rate per resource	Hrly labor cost for 3 resources	Total labor cost per annual season		#of Letters	Paper cost per sheet	Certified Postage per letter	Labor	Total Cost
City of Birmingham	210	\$ 18.26	\$ 3,834.60	\$ 11,503.80		8808	0	\$ 7.70	\$ 11,503.80	\$ 79,325.40
Outsourced	7	0	0	0		8808	\$ 0.12	\$ 7.99		\$ 71,432.88
			Labor Difference	\$ 11,503.80				Cost Difference		\$ 7,892.52

<p>SAVINGS (INTERNAL RESOURCE TIME) = 203 HOURS</p>	<p>TOTAL GROSS COST SAVINGS = \$7,892.52</p>
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F. Best Practices/Recommendations

- Electronic signatures, as allowable
- Implement the New World Contracts Management Solution
- Contracts Management Department/Division
- Automate and potentially outsource certified mail notification for weed abatement certifications.
- Analyze, enhance, and automate Public Records Requests (city-wide)
- Find a location for Absentee Voting that meets State of Alabama voting regulation
- A new and larger vault should be constructed, and a dry chemical type system installed for fire suppression purposes. Outsourcing document storage may be a viable alternative based on a cost/efficiency comparison of internal (Racking, density, height, barcoding, software, scanner, training, location, e.g. real estate psf costs vs, outsourcing costs).

III. Appendix – IMS/TECHNOLOGY

A. Shadow/Decentralized IT groups

- While IMS is the core, centralized Technology (IT) department for the city, some departments run shadow IT groups, specifically Birmingham Police Department (BPD), Birmingham Fire Department (BFD), Planning, Engineering and Permits (PEP), Public Works, and Municipal Court.
- Some issues/risk resulting from shadow IT include:
 - Antiquated software applications and/or hardware, such as GIS, which still runs on unsupported infrastructure, like MS 2003 servers.
 - There are 2 network domains: BPD and City of Birmingham (COB) domains, managed separately with separate upgrade lifecycles, but share an active directory (AD), which impedes necessary upgrades to AD.

- The systems are interdependent; risk to one is risk to all. There is no way for IMS to confirm fully that security and upgrades are at the levels they should be.
- PEP runs a shadow department comprising of GIS and PEP Helpdesk. GIS is used by other departments at the city, which indicates it's a shared solution which should be centralized in IMS.
- Is the skill level adequate in these shadow IT departments?
- Duplicated IT functions. Ex. Some IT groups have their own help desk resources.
- A study should be performed to understand the justification for these shadow IT groups. If they are justified, the study should determine what, if any, IT services can be centralized and create an effective collaboration between the IT leaders to reduce any associated risks and overlap.

B. *Difficulty attracting and retaining quality talent.*

- The lack of funding, support, and adherence for key Business and Technology solutions is also an impediment to attracting and retaining quality talent. The immediate need in IMS is to fill the vacant positions with skilled IT talent, as they have many projects in the pipeline.
- Citizen's 311 Contact Center*
- Currently the 311 contact center reports to IT. The solution logs, routes, and tracks requests. 311 is not adequately marketed to citizens, so departments also take calls/requests from Citizens. In most cases, calls/requests to departments are not logged or tracked. Consideration should be given to routing all citizen calls/requests through 311 so they are logged, routed and tracked appropriately. Several benefits can be gained by centralizing citizen calls/requests to 311:
 - Responsiveness can be tracked
 - Self-service requests can be identified and placed on the website
 - Departments are no longer directly accepting citizen phone calls but working requests as they are routed from through the 311-workflow solution.

C. *Best Practices/Final Recommendations*

- Centralize IT for all technology solutions
- Centralize Project Management for all technology solutions
- Effective collaboration between decentralized and centralized technology leaders
- Address relationship with Jefferson County Personnel Board
- Develop capital funding plans for maintaining/enhancing/upgrading technology resources, e.g. business applications, technology infrastructure, etc.
- Create IT policies and solutions designed to support efficiency and transparency and compliance

IV. **Appendix – Part A. Finance Revenues and Expenses**

A. *See Document on Next Page*

IV. Appendix– Part B. Pension and Other Post-Employment Benefits (OPEB) Issues

Pension						
Exhibit A						
	Actuarial	Actuarial	Unfunded			UAAL as a
Actuarial	Value	Accrued Liability	AAL	Funded	Covered	Percentage
Valuation	of Assets	(AAL)	(UAAL)	Ratio	Payroll	Covered
Date	(a)	(b)	(b) - (a)	(a) / (b)	(c)	[(b) - (a)] / (c)
7/1/2001	773,453,461	727,360,834	-46,092,627	106.34%	149,422,297	0.00%
7/1/2002	778,605,246	758,085,228	-20,520,018	102.71%	151,180,057	0.00%
7/1/2003	785,646,456	796,083,861	10,437,405	98.69%	152,242,441	6.86%
7/1/2004	801,612,266	838,485,603	36,873,337	95.60%	158,062,119	23.3%
7/1/2005	819,166,736	875,792,038	56,625,302	93.53%	158,898,488	35.6%
7/1/2006	898,671,013	946,584,547	47,913,534	94.94%	162,849,137	29.4%
7/1/2007	935,821,094	992,864,448	57,043,354	94.25%	167,807,596	34.0%
7/1/2008	953,079,670	1,050,785,799	97,706,129	90.70%	174,113,556	56.12%
7/1/2009	910,769,192	1,083,256,135	172,486,943	84.08%	186,523,480	92.47%
7/1/2010	913,077,824	1,113,441,433	200,363,609	82.01%	193,229,880	103.69%
7/1/2011	892,096,375	1,158,070,396	265,974,021	77.03%	177,977,161	149.44%
7/1/2012	878,048,507	1,181,090,260	303,041,753	74.34%	181,406,586	167.05%
7/1/2013	888,209,730	1,216,684,458	328,474,728	73.00%	182,634,179	179.85%
7/1/2014	945,245,264	1,263,665,128	318,419,864	74.80%	191,299,778	166.45%
7/1/2015	993,856,763	1,319,287,541	325,430,778	75.33%	196,808,411	165.35%
7/1/2016	1,016,437,956	1,346,038,138	329,600,182	75.51%	200,205,482	164.63%
New GASB 67&68 Implementation and Disclosure						
6/30/2017						
Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability				
1,745,211,041	1,038,084,945	707,126,096	(page 85 2017 CAFR)	Retirement and Relief Fund		
99,890,669	43,175,285	56,715,384	(page 87 2017 CAFR)	Firemen's and Policemen's Supplemental Pension System		
533,001	769,489	-236,488	(page 87 2017 CAFR)	Unclassified Employees' Pension and Relief Fund		
1,845,634,711	1,082,029,719	763,604,992				

EXHIBIT B				
History of Employer Contributions				
Birmingham Retirement and Relief Plan				
Plan Year Ended June 30	Actuarially Determined Employer Contributions (ADEC)*	Actual Contributions	Percentage Contributed	Underfunded Amounts
2001	4,347,350	10,151,206	233.5%	5,803,856
2002	8,580,579	10,537,461	122.8%	1,956,882
2003	9,756,787	10,697,621	109.6%	940,834
2004	11,290,871	11,347,715	100.5%	56,844
2005	12,875,198	10,881,632	84.5%	1,993,566
2006	13,742,543	11,398,732	82.9%	2,860,911
2007	14,173,353	12,006,508	84.7%	2,774,621
2008	14,818,900	12,061,584	81.4%	2,812,392
2009	17,050,689	12,770,110	74.9%	4,989,105
2010	21,118,910	13,224,808	62.6%	8,348,800
2011	18,147,790	13,772,490	75.9%	4,375,300
2012	18,904,668	13,676,554	72.3%	5,228,114
2013	20,516,938	13,591,846	66.2%	6,925,092
2014	30,553,712	14,039,103	45.9%	16,514,609
2015	30,398,187	14,464,552	47.6%	15,933,635
2016	29,898,918	16,370,100	54.7%	13,528,818
2017	30,564,212	16,554,808	54.1%	14,009,404
				91,535,951

*Prior to July 1, 2013, this amount was the Annual Required Contribution (ARC) and was calculated presuming that the employees would be responsible for an equal share of the cost of the System. However, if employee contribution rates were insufficient to cover half of the cost, the City was ultimately responsible for the funding of the Plan. Beginning July 1, 2013, the Actuarially Determined Employer Contribution (ADEC) is equal to the total calculated contribution in the most recent actuarial valuation, minus the portion expected to be covered by employee contributions.

Pension
Exhibit C

The following table presents a condensed statement of the City's net position at June 30, 2017 and 2016:

CONDENSED STATEMENT OF NET POSITION
June 30, 2017 and 2016 (in
thousands)

	Governmental Activities		Business-Type Activities		Totals	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$712,418	\$833,883	\$4,161	\$4,950	\$716,579	\$838,833
Capital assets, net	675,703	614,622	4,344	4,386	680,047	619,008
Total assets	1,388,121	1,448,505	8,505	9,336	1,396,626	1,457,841
Current and other liabilities	82,751	80,133	220	858	82,971	80,991
Long-term liabilities	1,718,602	1,717,320	351	351	1,718,953	1,717,671
Total liabilities	1,801,353	1,797,453	571	1,209	1,801,924	1,798,662
Net position:						
Net investment in capital assets	241,975	180,892	18	18	241,993	180,910
Restricted	135,178	146,904	-	-	135,178	146,904
Unrestricted	(790,385)	(676,744)	7,916	8,109	(782,469)	(668,635)
Net position	(\$413,232)	(\$348,948)	\$7,934	\$8,127	(\$405,298)	(\$340,821)

Required Supplementary Information – Net OPEB Obligation (NOO)								
Actuarial Valuation Date	Fiscal Year End	Annual Required Contribution (a)	Interest on Existing NOO (b)	ARC Adjustment (c)	Annual OPEB Cost (a) + (b) + (c) (d)	Actual Contribution Amount (e)	Net Increase in NOO (d) – (e) (f)	NOO as of Fiscal Year (g)
6/30/2007	6/30/2008	\$10,313,632	\$0	\$0	\$10,313,632	\$3,500,000	\$6,813,632	\$6,813,632
6/30/2007	6/30/2009	10,313,632	272,545	-378,878	10,207,299	3,600,000	6,607,299	13,420,931
6/30/2009	6/30/2010	8,704,963	536,837	-774,452	8,467,348	3,700,000	4,767,348	18,188,279
6/30/2009	6/30/2011	8,704,963	727,000	-350,000	9,081,963	3,800,000	5,281,963	23,470,242
6/30/2011	6/30/2012	6,796,042	938,810	-1,411,992	6,322,860	3,900,000	2,422,860	25,893,102
6/30/2011	6/30/2013	6,796,042	1,035,724	-1,593,720	6,238,046	7,700,000	-1,461,954	24,431,148
6/30/2013	6/30/2014	15,041,831	977,246	-1,540,732	14,478,345	8,400,000	6,078,345	30,509,493
6/30/2013	6/30/2015	15,041,831	1,220,379	-1,974,582	14,287,628	7,600,000	6,687,628	37,197,121
6/30/2015	6/30/2016	18,980,218	1,413,491	-2,432,591	17,961,118	4,875,902	13,085,216	50,282,337
6/30/2015	6/30/2017	18,980,218	1,910,729	-3,288,329	17,602,618	2,056,000	15,546,618	65,828,955
					\$114,960,857	\$49,131,902		\$65,828,955

A. Best Practices/Recommendations

- We need to lay out a plan to demonstrate to our employees, our bond holders, as well as our citizens that we will bring this pension deficit under control over a specific period of time. This includes increased funding and restructured benefits, at least for new employees.
- We need to engage with the rating agencies to ensure the actions we take have the desired impact to keep the capital markets open to Birmingham at competitive rates

V. Appendix – Legal Department

- Attorneys in legal department have been slow to respond to requests from other City departments
- City department officials have given files/contracts directly to certain attorneys in department without tracking or notifying City Attorney or divisions chiefs. This can result in lawyers not getting files in their area of expertise and also cause some lawyers to have too much work and others not enough work.
- Difficulty obtaining list of potential hires from Jefferson County personnel board for legal and staff positions in timely manner. It currently takes 3-4 months to obtain a final list of candidates from personnel board and fill a position
- Determining what files require hiring of outside counsel, as some routine matters have been assigned to outside counsel.
- More accurate budgeting for potential losses regarding pending claims against City. Right now, an amount is budgeted based on prior year's budget without assessing pending claims.

A. Metrics

- Employees: 27 attorneys (3 unfilled positions)/5 paralegals/9 staff members in City Legal Department
- Three divisions: (a) Real Estate/Transactions (8 attorneys); (b) Prosecutors (6 attorneys/2 are unfilled); (c) Litigation (11 attorneys/1 unfilled, plus a claims administrator)
- Fiscal Budget/Expenditures: 2015: \$7 million/\$6.7 million (\$1.5 million paid to outside counsel); 2016 \$7.1 million/\$6.6 million (\$1 million paid to outside counsel); 2017: \$7.2 million/\$9.5 million (\$1 million paid to outside counsel, \$2.8 million added to original budget during fiscal year to pay claims)

B. Best Practices

- *Process*
 - Huntsville has 12 lawyers and Nashville has 32 lawyers. Huntsville and Nashville have similar divisions to our City legal department, and these divisions seem to work well, but our legal department's process has needed improvement. Steps below to improve the process have already been employed by our new City Attorney and the legal department has received commendations from several departments for the improvement on response time.

- Utilize/supplement existing City Law software system to organize the assignment of files and to track these assignments. Provide training on using the system if needed.
- Develop a written request form for departments to use each time a department seeks assistance from legal dept.
- Require departments to submit written request form to City Attorney. City Attorney/division chiefs will, in turn, assign files to lawyers and determine whether outside counsel is needed. Consider having certain lawyers assigned to certain departments, which has worked in Nashville.
- Lawyers should employ City Law software when a file is assigned. Attorney who is assigned a file should log the assignment into the City Law software, input material progress of the file, and log when file is closed. This software has been used by litigation division but only sporadically by real estate transactions division.
- Develop process to ensure file status is reviewed on regular basis until file is closed. For example, in Nashville each attorney in division meets monthly with City Attorney and provides report on all files they are handling and update progress each month
- Create standards for follow up with departments to provide status of file on regular basis
- Implement standards for response time by legal department to departments for routine requests so departments don't wait until last minute to submit requests for routine matters where departments are aware of deadlines well in advance
- Create and distribute customer service surveys to departments to be completed on quarterly basis to identify any improvements that should be made to process
- **Morale and Team Building**
 - Huntsville and Nashville have low turnover and good morale. Morale is already improving in the legal department based on the first three items below.
 - Evaluate whether attorneys meet expectations of the department. Some lawyers no longer work for the City.
 - Assess whether expertise of attorney matches current files assigned to attorney. Some attorneys have already been reassigned to areas in their expertise and others.
 - Assess workload of each attorney and reassign files where necessary.
 - Determine whether more in-house lawyers need to be hired based on workload and expertise needed for files
 - Assess whether compensation of in-house lawyers is consistent with other similar law departments. Nashville determined that it was paying well below market for similar legal departments and this improved morale and attracting better candidates.
 - Assess career development and training. Provide CLE opportunities matched to expertise needed in legal office. Ensure that all attorneys are allocated an appropriate amount of funds for CLE. Nashville has also allowed city attorneys to travel out of town for a CLE once every 3 years.
 - Reward good performance of attorneys. For example, in Nashville, City Attorney gives one day of administrative leave with pay to one attorney each month for a significant work achievement
- **Hiring**
 - Huntsville works cooperatively through an HR department process that is efficient. Nashville's City Attorney has complete authority to hire attorneys without going through a process. Birmingham still goes through the Jefferson County personnel board process, which is cumbersome and often does not provide a strong group of candidates.
 - Explore opportunities to streamline process to hire attorneys/staff in legal department and work collaboratively with the Jefferson County personnel board. Explore whether compensation packages are consistent with other legal departments in other similar cities.
- **Budget**
 - Nashville rarely uses outside counsel. Huntsville only uses outside counsel for highly complex matters and matters requiring special expertise. Assess whether cases assigned to outside counsel are files which can be handled in-house and do not require special expertise of outside counsel.
 - Process for budgeting for potential exposure of pending claims against City is being changed. It will now be based on potential exposure of pending claims rather than based off of prior year's budgeted amount.
 - While we have a claims administrator, Nashville has separate risk management department that handles all claims under a certain threshold, and it would be good to explore so that lawyers can focus on larger claims.
 - Nashville provides quarterly report to City Council on all claims where the amount being sought/potential exposure exceeds \$100,000. Currently, Birmingham only reports to the Council on claims exceeding \$1 million. Providing additional info to City Council on all claims over a lower threshold will help with budgeting for potential losses and avoid surprises.

B. APPENDIX – Mobile Equipment (FLEET)

A. Glossary

- FMCSA – Federal Motor Carrier Safety Act
- Mobile, Rolling Fleets e.g. driver pool vehicles, trucks, garbage trucks, fire trucks, police cars, pick-ups, bucket trucks
- Slow Moving Equipment, e.g. bulldozers, backhoes, ride-on mowing equipment, street sweepers, vacuum trucks, street paint marking equipment
- Maintenance equipment- e.g. vehicle lifts, power tools, hand tools,
- Spare parts- oil and air filters, oil, nuts, bolts, etc.
- Portable equipment- backpack blowers, weed-eaters, hand held equipment, supplies on hand
- Flex Fuel – Blended Fuels reducing hazardous fumes
- Clean Cities Coalition of Alabama

B. Known Data Accuracy Limitations:

- Combined inventory age range is 1968 to 2017
- Combined inventory count = all 2109 items ~\$96mm + Portable equipment + Unaccounted/missing/salvaged but unreported/written off inventory items
- Fleet ranges in type from items like those listed earlier to specialty items, e.g. bomb detonator robot, a bat mobile, airplane. Unsure if the plane flies
- Some older inventory with book value may indicate incorrect depreciation schedules
- Some newer equipment eligible for accelerated depreciation – closer look required
- Missing inventory of portable items such as backpack blowers, weed-eaters, hand held equipment
- Unknown quantity of over-the-road fleet is not inventory listed by Vehicle Identification Number (VIN) or known designated parking location. Rolling stock serial numbers, unknown vehicle location
- Anecdotal story of driver pool vehicles with dry-rotting tires, dead batteries indicating negligible value
- Idling equipment hours are untracked and maybe in poorer condition than high mileage vehicles, e.g. police units while in use must be idling, fire trucks and bucket trucks as warming stations are untracked are actually subject to same wear and tear in many cases as equipment with high mileage

C. Best Practices: *(Immediate Safety Concerns listed in the report are the first steps which must be assessed more fully/completely and addressed - they present known dangers to life, property and place personnel and the COB at unnecessary risk).*

- Fixed Asset Audit with diagnostic condition, location data, etc., mileage report, idling reporting
- Portable equipment inventory audit
- Reconcile audit results with inventory
- Update system tracked inventory
- Safety review of all lifts, fuel storage sites, and other safety sensitive items and areas
- Specialized diesel refueling tanks in 2 locations minimally
- Software capability to cost out item by item G&A, labor cost report tying back to individual inventory items
- Clean Cities Coalition of Alabama fleet review and cap-ex recommendation process to schedule replacement and alternative fuel vehicles
- Purchasing and risk analysis process review
- On-hand parts inventory cost average for 36 months
- Line of authority responsibility review
- Risk and Loss Registers Developed and maintained
- Hazmat waste disposal plan and environmental compliance initiative review
- Fleet management technology- onboard computers, scales, GPS
- Fleet warranty records
- Vendor and contract performance reviews and programs
- Driver safety, development and training programs and policies
- Fleet utilization and efficiency data
- Facility and new equipment needs assessment
- Cost estimates based on assessment results

C. Appendix – Communications*

Online Presence

A. Website

- The current website needs to be completely rebuilt. The new site should be branded for Woodfin Administration. The technology solution should include a CMS that allows timely updates and supports department-level sites, allowing department's missions, services, etc. to be better represented on the website. Functional updates should include a self-service citizen's requests and FAQ portal.
- There should be some collaboration and linkage between the City's official website and the sites of all quasi-agents, so there is one source of record, one look and feel for the City of Birmingham.
- Additionally, the City of Birmingham's website should serve as a primary vehicle for informing citizens of many services available; especially, those the city should partner/align with to broaden its reach.

B. Social Media

- Social Media has become a primary communications vehicle. The city must have a strong social media presence.

C. Public records requests and requests for information/FOIA

- Business process and technology innovation is needed to effectively and efficiently manage receipt, logging and tracking of public records requests and requests for information/FOIA from the media.

D. Public Relations and Marketing for the City

- The communications group is the first line of defense for the city with the media, especially in times of crises. The group currently falls short in cultivating relationships over time and promoting the city.
- The department is staffed to react. It is not staffed to be the marketing engine for the City.
- The communications group should be the first line of communication with the city's citizens. The website and social media are great and necessary vehicles. However, not all City Citizen's will use the website or social media. So, other forms of communicating directly with citizens must be developed.

**The Communications Director and Public Information Officer are aware of these issues and actively working on solutions.*

Overall Themes (People, Process, Technology, Alignment, Efficient Financial Management)

- *Executive leadership is essential to Change Management and Continuous Improvement*
- *Department Leadership demonstrates a lack of ownership and/or authority*
- *Ineffective intradepartmental Communication, as well as City-wide communications*
- *Pension deficit*
- *Jefferson County Personnel Board*
- *Shadow HR groups outside of HR Department*
- *Shadow IT groups outside of IMS/Technology*
- *Legal bottleneck*
- *Fleet Management*
- *Management Practices related to Civil Service Employees*
- *Funding / Governance around funding*
- *Review of City Policies & Mandates that appear to present issues with efficiency/effectiveness*
- *Review of State Policies & Mandates that appear to present issues with efficiency/effectiveness*